



SECTION 3

The Capital Project Request

Using projects to build your budget

Projects are the primary building blocks to use in preparing your capital budget. The BASS Capital Budgeting System (CBS) is designed to support state government agencies in the development and preparation of capital budget proposals. This document is intended as a companion document with the CBS tutorial. The Tutorial describes how to navigate the CBS system while this document describes the individual data elements required for budget submittal.

When creating a project, you must give CBS some key elements that place it within the organization of your budget.

- The **version** you select tells CBS what group of related projects you are adding it to.
- The **project format** you select tells CBS what type of project you wish to create: capital project, omnibus minor works or grants management.
- The **title** is where you give it unique identity within your agency. The title you assign to the project will remain with it throughout your budget process.
- The project **class** can be used to sort projects by preservation, program, or alternatively funded. The project class drives the middle section of the project number.
- The **starting fiscal year** will help identify your project as the beginning of the project number.
- The unique identifier of a project **number** (last three digits of the project number) may be assigned by CBS for new projects.

Electronic submission of capital budget data through the CBS entry system is required

The CBS system is an internet-based application for state agencies to use as a tool for analysis of internal options, sharing with stakeholders and finally, submission to OFM. Submission through the CBS system is not intended to replace submission of a paper capital plan. The reporting feature of the CBS offers some of the documentation needed for the paper submittal. Other information will be required in a paper only format.

3.1 Using the CBS System

The following is not intended to train you on how to use the system, or replace the CBS tutorial that is a separate document. It is a summary of highlights.

Data element descriptions

CREATE PROJECT

Project title – Titles should convey location, facility name, and type of activity. Location is the site or complex name. Type of activity is a word or phrase that describes what you are proposing. Examples of appropriate titles are: "UWB/CCC Cuban History Hall; New Construction" or "Capitol Campus – West Campus; Design and Construct Parking Structure for 3000 Cars."

NOTE: Project number – The eight-digit number assigned to the proposed project can be generated automatically by the CBS in three parts. The format is YYYY-C-PPP, where: YYYY corresponds to the starting fiscal year of proposed implementation. C is the project class, and PPP is the unique project identifier within project class and agency (generally assigned in sequence by CBS, and no longer represents priority).

Use the current project number information (starting fiscal year, class, and unique project identifier) if this project is currently listed in the Ten-Year Capital Plan. Enter the starting fiscal year and let CBS assign the unique project identifier for new project requests in the 2003-05 Biennium.

Project class – Represents the classification of each request as outlined earlier in this document. The class selected serves as the middle digit of the project number.

1. Preservation project
2. Program project
3. Alternate financing project
4. Grant

GENERAL INFORMATION TAB

- **Previous project ID (if previously requested)** – Enter the previous project ID if this project was requested in a previous budget.
- **Is this project compliant with the Growth Management Act** – SHB 2648 requires several questions to be answered in conjunction with local coordination and the Growth Management Act. These will be handled as part of a paper submittal. See Section 1.3 for additional information. The Office of Community Development is required to assist agencies in answering the questions and is available to direct agencies how and where to obtain information. Contact Holly Gadbaw, Office of Community Development at (360) 725-3048 or Hollyg@cted.wa.gov.



OFM priority – The one-digit number that describes the OFM priority being addressed by this project is entered in the CBS Entry System.

1. Protection of people
2. Protection of assets
3. Protection of environment
4. Cost savings
5. Program need or requirement

The project priority structure classes are detailed in Section 1 of these instructions.

New project types

Type of project – Select a category that best describes the proposed project.



A new numbering system has been adopted for project type:

- 1) Health, Safety and Code Requirements (minor works)
- 2) Facility Preservation (minor works)
- 3) Infrastructure Preservation (minor works)
- 4) Program (minor works)
- 5) Remodel/Renovate/Modernize (major projects)
- 6) New Facilities/Additions (major projects)
- 7) Infrastructure (major projects)
- 8) Grants
- 9) Acquisition-Land
- 10) Acquisition-Facilities
- 11) Alternative Financing
- 12) Special Programs
- 13) Project Management

Health, safety and code requirements are projects whose primary purpose is to correct facility or infrastructure deficiencies or conditions that: a) adversely affect the health and/or safety of building occupants or users of the facility; or b) are in violation of federal, state or local codes or regulations.

Facility preservation projects have a primary purpose to correct facility deficiencies or conditions that: 2) adversely affect the ability to utilize a facility or building system for its current programmatic use; b) reduce the life expectancy of the facility or building system; and/or c) increase the operating costs of the facility or building group for its current programmatic use.

Infrastructure preservation projects have a primary purpose to correct infrastructure deficiencies or conditions that a) adversely affect the ability to utilize the infrastructure for its current programmatic use; b) reduce the life expectancy of the infrastructure; and/or c) increase the operating costs of the infrastructure for its current programmatic use. Infrastructure preservation projects shall be grouped into the following:

- Structures and surface improvements (roads, bridges, sidewalks, curbs, parking lots, water drainage/retention, culverts, retaining walls, tunnels, etc.).
- Site amenities (e.g., landscaping, lighting, etc.).
- Utility systems (outside building footprints).
- Natural environment changes or requirements as part of an environmental regulation.

Program projects have a primary purpose to accomplish a program goal including but not limited to: improving the quality of existing space; reconfiguring or altering the use of existing space; and/or adding space. Program projects shall be grouped into agency defined subcategories that are consistent with and reflect the agency's programs, functional activities, and/or departments; the geographic location of facilities and/or the agency's strategic goals.

Remodel/renovate/modernize (major projects) – The state accounting guidelines refer to this type of project as "extraordinary repairs, betterment, or improvements." Included within this category are expenditures that increase future benefits from an existing fixed asset beyond its previously assessed standard of performance. Increased future benefits typically include:

- An extension in the asset's estimated life.
- An increase in the capability of an existing fixed asset.
- A substantial improvement in the quality of an asset.

An example of a project in this category is the replacement of the mechanical and electrical systems, which results in the extension of a building's useful life. A major project is required to go through the predesign process and has a cost of \$5 million or more.

New facilities/additions (major projects) – This project type is used to identify construction of a new structure on either existing property or on property purchased as part of the total project. An addition is a project that expands or extends and is physically linked to an existing fixed asset. An example of an addition is the construction of a new wing for an existing building.

Infrastructure (major projects) – Projects to create or repair utility or transportation systems, provide for flood control, improve navigable waterways and improve energy systems are examples of infrastructure improvements.

Grants – Grant projects provide capital appropriations to state, tribal, local or community organizations for development of special facilities. In general, grant programs are either established in statute or have specific legislative provisions associated with the dispensation of the appropriated funds.



Acquisition, land – This type of project includes the acquisition of land, but not facilities. An example of an acquisition is the purchase of a tract of land to construct a new facility. Acquisitions should be requested separately from other project requests except where the purchase is part of a new facility or a new addition and acquisition costs are included in another project category.

Capital project requests for acquisition activities should include an attachment to the Form C-2 that provides the following information:

- The result of the agency analysis that ensures that the land proposed for acquisition will meet agency and program needs. Be sure to identify its eventual use.
- The result of an environmental review and engineering inspection of the property that ensures its suitability in terms of condition and location; and
- The proposal for financing improvements.

Identification of the long-term future operating costs associated with the acquisition.

Acquisition, facilities – Acquisition of a facility generally also includes the land on which the facility exists. Acquisitions should be requested separately from other project requests except where the purchase is part of a new facility or a new addition and acquisition costs are included in another category.

Capital project requests for acquisition activities should include an attachment to the Form C-2 that provides the following information:

- The result of the agency analysis that ensures that the facility proposed for acquisition will meet agency and program needs. If additional property is being acquired, be sure to identify its eventual use.
- The result of an environmental review and engineering inspection of the facility that ensures its suitability in terms of condition and location; and
- The proposal for financing improvements.

Identification of the long-term future operating costs associated with the acquisition.

Alternative financing – The acquisition of space (or improvements to existing space) through a contractual agreement where a third party provides the capital facility.

Special programs – This category includes "project non-specific" programs, such as the Housing Trust Fund Program, various referendum programs, pass-through grants to local governments, etc.

Project management – This category is established for agencies that budget project management personnel with a single appropriation. For example, GA funds Engineering and Architectural Services (E&AS) in this way; the Department of Social and Health Services also uses this approach for its capital program. Agencies electing to use this type of project management funding should contact their OFM capital budget assistant.

Description TAB

Project published summary – Each project should have a brief description of its purpose, written in complete sentences. This text will be loaded into the OFM BuildSum system and will serve as the starting point for OFM text that describes items funded in the Governor's budget. Strive for succinct, precise, and non-technical text. The text should avoid jargon and acronyms and be clear to an audience that isn't necessarily an expert on the issue. We suggest that agencies limit this text to about 100 words. We encourage agencies to look at examples in the last budget for guidance on the kind of summary information we are looking for. The link below will take you to Agency Details published for the 2001-03 capital plan proposal.

<http://www.ofm.wa.gov/budget01/capital/detail.htm>

IMPORTANT CHANGE



Project description – This narrative should briefly describe the nature of the project – why it is necessary, what it is, where it is, and what it will do (for example, “this project will renovate three wards at Western State Hospital in order to meet fire/safety requirements”), as well as identifying the benefits to the agency in terms of increased or new service benefits the agency will be able to provide to the public or its clients. The Project Description text block in CBS will pre-fill with appropriate questions for each project format. Use these questions as a guide. They may be edited and deleted as necessary to help you write a thorough description of the project.

For reappropriations: Explain the current status of the project, specifically what the reappropriation is to be used for and when the work will be complete. Indicate the number of times that the project funds have been reappropriated and the percentage of the original appropriation that remains unexpended and explain why the appropriation remains unexpended. Note that reappropriations referencing Section 906 of the 2001-2003 Capital Budget will lapse on June 30, 2003.

***Sub projects and
funding TAB***

This tab is for entering data regarding how the project request is to be funded.

- **Fund code** – The fund code and appropriation type (e.g., “057-1”).
- **Estimated total cost (automatically calculated)** – The estimated total escalated cost of the project (for all biennia).
- **Prior biennium expenditures** – Expenditures through June 30, 2001. (Any historical data used by an agency in the preparation of its capital budget request must agree with the end of biennium actuals as reported through the AFRS system.)
- **Current biennium expenditures** – All actual and estimated expenditures between July 1, 2001 and June 30, 2003 are identified.
- **Reappropriations** – The estimated amount of the 2001-03 appropriation that will be required for reappropriation in the 2003-05 Biennium. It is important to ensure that current biennium expenditures plus the reappropriation do not exceed the original appropriation authority.
- **New appropriations** – The new appropriation request for the 2003-05 biennium, as well as any project costs in the four subsequent biennia (including inflation allowances) is shown here.

Operating impact TAB

Information about project operating and administration costs and FTEs associated with the project are entered here.

The operating budget costs (or savings) associated with the proposed project, including the cost of staffing and maintaining the facility is shown here. If the amount is significant, please attach a separate page with a detail of FTE, program, building operation, utility and other costs.

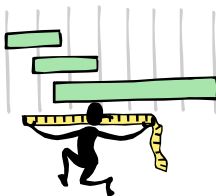
The cost in dollars for contract administration during construction is included on the C-100.

RCW 43.88.030 requires agencies proposing the acquisition of land or capital improvement of land for which the primary purpose is recreation or wildlife habitat conservation to identify the projected costs of operation and maintenance for at least the two biennia succeeding the next biennium. Omnibus lists of habitat and recreation land acquisitions must include individual project cost estimates for operation and maintenance as well as a total for all state projects included in the list, identifying the source of funds from which these costs are proposed to be paid. Please contact OFM for more instructions on reporting this information.

Project Summary TAB

The **Project Summary** tab summarizes the project cost estimates by phase and category from one or more C100 worksheets. This summary can be imported from the Excel C100 template (see section 3.3) created text file or may be hand entered if the Excel C100 template is not available. Imported projects will assume the agency, project number, and project title as defined in the opened project where the import is requested. All information on the **Project Summary** tab will be electronically submitted to the OFM Budget Division.

3.2 Project Schedule Estimates



The Project Schedule by Phase and Activity provides a historically based estimate of time breakdown detail of the design and construction sequence, expressed as a function of project value. Other scheduling considerations also are identified. In addition, the overall schedule must account for the anticipated budget approval cycle, funding cycles, and other activity cycles particular to each agency. The planning cycle itself impacts the project development schedule.

The project scheduling process requires careful and detailed planning. Consider not only the desired start/finish dates, but also the intermediate milestones that are to be achieved. Evaluate the schedule requirements both for activities occurring before the milestones and those following. Creating even the most preliminary project schedule will involve at least two points in time—project start and project completion. Milestones may be predetermined by external constraints or established by choice, depending on the specific situation such as weather considerations.

Phase schedule – The start and completion dates for each phase of the project are estimated along with the associated cost. This tab provides space for both preliminary estimates (right columns) and more detailed estimates taken from completed C-100 forms (left side). There are four major phases associated with completion of major projects:

- Pre-design**
- 1. Pre-design** – The pre-design phase is defined as the first phase of a major capital project and is conducted prior to the design phase. All major projects greater than \$5 million should include a separate and distinct pre-design phase (see OFM *Pre-design Manual*).

The objective of pre-design is to define and balance the elements of agency strategic plans, master planning, scope, schedule, budget, and siting by addressing the questions of why, how, where, and when. Pre-design involves a disciplined methodology of data collection, analysis, organization, communication, and evaluation through which all the human, physical, and external influences on a facility's design may be explored.

Pre-design includes those tasks necessary to establish an agency's programmatic, financial, schedule requirements, and limitations for a project. It does *not* include tasks such as master planning, ADA evaluations or historical documentation. Pre-design is the first step in the major project planning process. It lays the foundation of information to enable the Legislature to evaluate how the project matches the agency's programmatic needs. Following approval, the pre-design then allows the designer to respond effectively and economically to an agency's program requirements within the parameters defined for their facility.

- Design** 1. **Design** – The design process incorporates all prior predesign or information from the administering agency into written and graphic documents. These documents form the basis for taking bids and constructing the facility. In the design phase, the needs, ideas and proposals of the agency are transformed into plans and specifications.

Normally, the design phase consists of three basic parts, each of which includes preparation of both drawings and written specifications:

- Schematic design
- Design development
- Construction documents

For most construction projects, an architect/engineer (A/E) assumes overall responsibility as the owner's agent for the design, bid, and construction observation functions. This includes ensuring that the project is completed within the limits of an established budget. The A/E also coordinates the activity of other design professionals working on the project.

- Construction** 2. **Construction** – The construction phase transforms the needs, ideas, and proposals of the agency, as defined by the plans and specifications, into a physical structure. The construction phase begins with the bid and continues to final acceptance of the construction project. Upon completion and approval of the final construction documents, including the bidding requirements, the project is ready to be released to contractors to obtain proposals or bids.

- Other** 3. **Other** – The project phase termed **other** includes, but is not limited to, the acquisition of land, structures and buildings. Property acquisition costs include the cost of purchasing sites or facilities, and all attendant costs necessary to prepare the property for agency use. The costs of site improvements, right-of-way, or conditions of the purchase must be included in the cost of acquisition if such items are required in order to use the property for its intended purpose.

Project requests that include pass-through programs and other unique, non-construction kinds of activities fall into this category as well.

3.3 Completing Form C100

The Capital Project Cost Estimate Form (C100 Form) is a tool to assist agencies and institutions in creating a project construction budget. It can also be an analysis tool to help agency management, and executive and legislative decision-makers understand the costs and other parameters associated with many aspects of the project. And, in a similar manner, it can measure capital construction performance at both the agency/institution level and in a statewide perspective. The C100 Form is NOT an accounting tool; it does not create lines of cost codes nor does it create an association of funds for payment of the various budgeted items.

The C100 Form

When to use the C100 - Agencies are required to prepare and submit **Form C100**, Capital Project Cost Estimate, for:

- The "preferred alternative" on all Major Projects exceeding \$5 million, which have completed the predesign phase. If the project for which the request is being made has not undergone a Predesign Study in accordance with OFM's *Predesign Manual*, only Section B1 of Form C100 and the Project Statistics information, including the estimates of total project cost, should be completed and included with the request. If a *Predesign Study* has been completed, a copy of the study, including Form C100, should be submitted with the agency's request for continuation of the project.
- All requests for single projects greater than \$1 million are also required to include a completed C100 form. Projects greater than \$1 million in the out biennia of the plan are **NOT** required to have a completed C100 form.
- Projects of lesser value may also include the C100 form to support the request.

Form C100 identifies the principal assumptions used for cost estimates. Every project is unique and the list of cost items on the C100 Form may not be all-inclusive. Cost items other than those listed may already be known, or subsequently discovered as more information about the project becomes available. Costs specific to each project must be developed based on the need for that project as documented in the *Predesign Study*.

The C100 Form provides both a detailed and summarized cost estimate for capital projects. After completing a C100 Form, you can manually enter or simply import the data from the Project Summary tab into Budget and Allotment Support System - Capital Budget System (BASS CBS). The summarized data will be included on the C-2 report you print out of CBS. Include an electronic copy of the completed C100 Form along with all other pertinent estimating information or other backup information with your Capital Budget request to OFM.

C100 Form – more than a spreadsheet

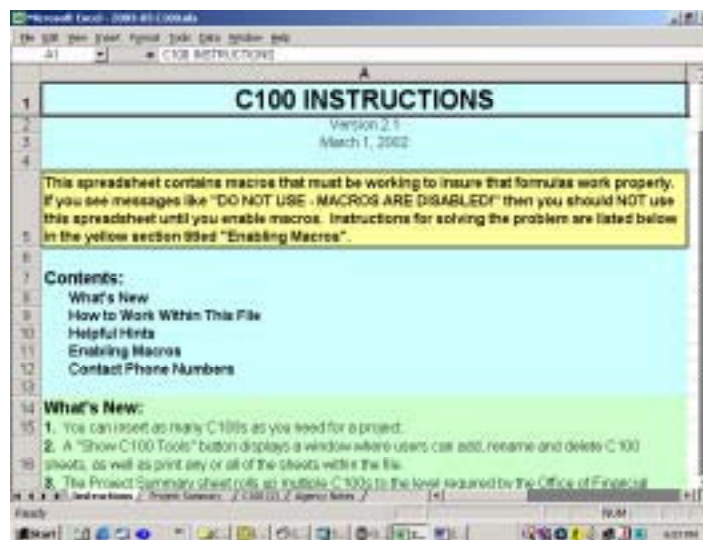
The C100 form is an Excel workbook that is protected. Consequently, the worksheets within it cannot be moved or deleted in the usual manner. This protection is necessary to ensure an accurate rollup of the C100 detail in the format required by CBS for data import. As a result of this protection you will find that many Excel functions are disabled while you are working within this file. These differences are listed in the Instruction tab within the C100 Form.

More information on the Excel C100 Template and Project Summary can be found on-line at www.ofm.wa.gov/capital.htm.

C100 orientation

The C100 form contains the following worksheets:

1. Instructions worksheet: Contains a quick summary of new features and instructions on how to use the new features within the file. It also gives you some helpful hints on how to work most efficiently, help in getting the macros running and contact information when you have questions.



2. **Project summary worksheet:** Summarizes all C100 worksheets within the C100 Form to the level required by CBS. Once the entire C100 Form is completed you can import the data from this worksheet directly into a project in CBS. Or, you can enter it manually.

Microsoft Excel - 2003-01-10-01.xls

STATE OF WASHINGTON
AGENCY/INSTITUTION PROJECT COST SUMMARY

Agency: _____
Project Name: _____
Project Number: _____

Contact Information
Analyst Name: _____
Analyst By: _____
Contact Phone Number: _____

Statistics	Primary	Secondary	Total
Gross Square Feet	0	0	0
Net Square Feet	0	0	0
Building Type	0	0	0
Is project a renovation?	0	0	0
AP Fee Class	0	0	0
AP Fee Percentage	0	0	0

Schedule
Start Date: _____
End Date: _____

3. **C100 worksheet:** A cost estimate worksheet for the entire project or a sub project. It uses current year cost estimates, the project schedule, type of project and various rates to provide escalated costs of the final project. Each C100 worksheet is calculated independently from other C100 worksheets within the same C100 Form. This allows you to have more than one C100 worksheet within a single C100 Form. For example, you may be repairing the roofs on several buildings at different times during the biennium. In this case you could have a C100 worksheet for each building. Totals of the entire project are summed up on the Project Summary worksheet.

Microsoft Excel - 2003-01-10-01.xls

STATE OF WASHINGTON
MUNICIPALITY/INSTITUTION COST ESTIMATE

Agency: _____
Project Name: _____
Project Number: _____

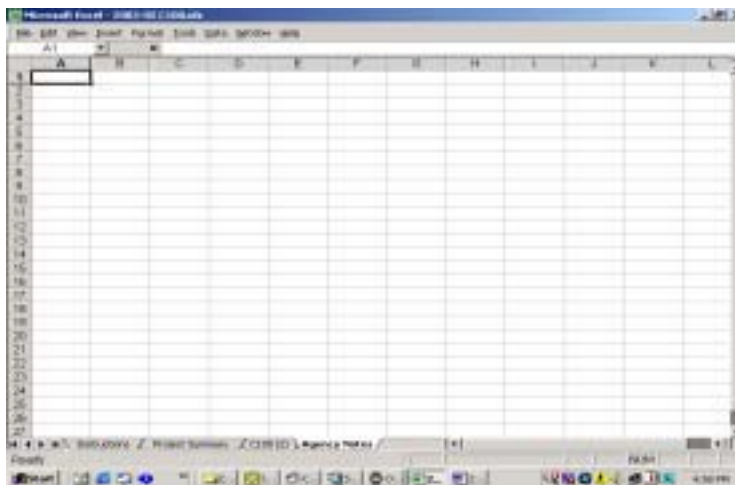
Contact Information
Analyst Name: _____
Analyst By: _____
Contact Phone Number: _____

Statistics	Primary	Secondary	Total
Gross Square Feet	0	0	0
Net Square Feet	0	0	0
Building Type	0	0	0
Is project a renovation?	0	0	0
AP Fee Class	0	0	0
AP Fee Percentage	0	0	0

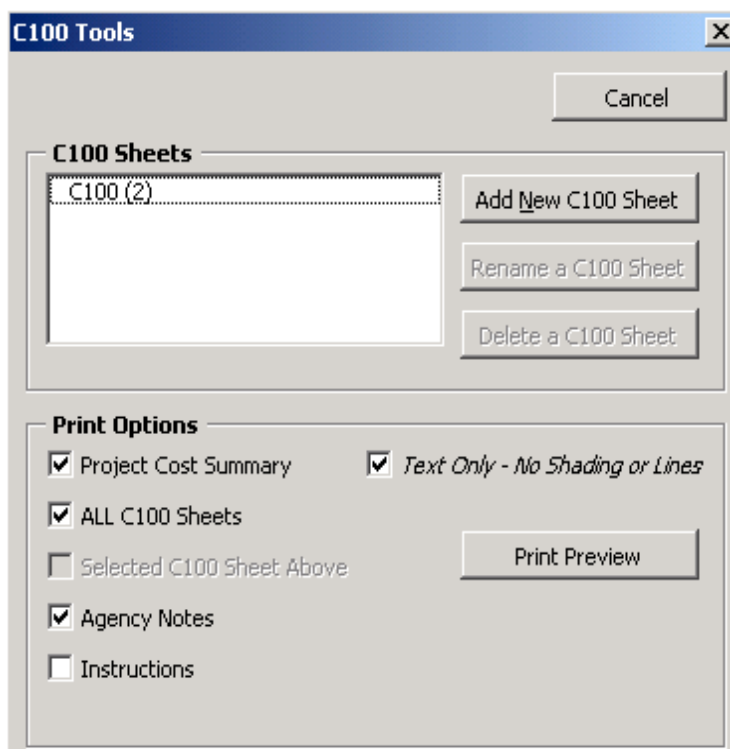
Project Schedule
Start Date: _____
End Date: _____

Project Cost Summary
Escalated Project Total: _____

4. **Agency Notes worksheet:** Agencies can keep their own notes about the project on this worksheet. It can be formatted and customized by each agency.



Adding, deleting, renaming and printing worksheets – Press the “Show C100 Tools” button located in the upper left corner of the Project Summary or C100 worksheets. The following C100 Tools screen will be displayed.



C100 Options: The upper section labeled “C100 Sheets” gives you the ability to Add New C100 worksheets, rename C100 worksheets or to delete C100 worksheets.

- a. **Add a New C100 Worksheet:** Pressing the “Add New C100 Sheet” button to add a new C100 worksheet to the C100 Form using a default worksheet name (e.g., C100(3)).
- b. **Rename a C100 Sheet:** Select one of the C100 Sheets listed under “C100 Sheets”. Press the “Rename a C100 Sheet” button and you will be prompted to enter a new name for the selected C100 worksheet.
- c. **Delete a C100 Sheet:** Select one of the C100 Sheets listed under “C100 Sheets”. Press the “Delete a C100 Sheet” button. You will be prompted to make sure you really want to delete the selected sheet.

Print Options: The lower section labeled “Print Options” gives you the ability to preview any combination of the worksheets within the C100 Form. Each selected sheet is properly formatted and displayed in a Preview window so that you can make any last minute adjustments before printing. It also allows you to turn off the shading and lines for a faster print.

- a. **Selecting worksheets:** Select one or more of the worksheets by clicking on the Print Option checkboxes. The “Selected C100 Sheets Above” option will only be enabled when you have one or more C100 sheets selected in the “C100 Sheets” section. A check means the worksheet will be included.
- b. **Text only – no shading or lines option:** When this option is checked, no lines or shading will be printed. This speeds up printing.
- c. **Print preview button:** Press this button to preview your selections. You can make adjustments to the formatting and print your sheets from the preview window.

Press the “Cancel” button to close the C100 Tools screen.

For more information regarding the C100 Form, please refer to OFM’s web site at:

<http://www.ofm.wa.gov/capitalforms/excelinst.htm>.